



# THE 2022 PERFORMER<sup>®</sup>

## A FINANCIAL STATEMENT ANALYSIS OF CITY OF SUWANEE, GEORGIA

As of and for the year ended June 30, 2022

City of  
**Suwanee**  
georgia

[budget.suwanee.com](http://budget.suwanee.com)

# THE PERFORMETER®

The Performer® was developed by Crawford & Associates to provide a “plain English” evaluation of a government’s financial information. It uses ratios of a government’s financial statements to provide a numerical value representing financial health and level of performance.

The value of the rating is based on a 10-point scale, with 10 representing excellent health, five represents satisfactory and zero indicates poor financial health and performance. The Performer is not intended as a replacement of the annual financial statements, but as a useful supplement to the statements.

The financial ratios evaluated in the Performer can be summarized into three categories:

**FINANCIAL POSITION:** “point-in-time” measures of the government’s financial status, solvency, and liquidity as of the fiscal year end.

**FINANCIAL PERFORMANCE:** “look-back” measures as to whether the government’s financial position has been improving, deteriorating, or remaining steady.

**FINANCIAL CAPABILITY:** “look-forward” measures of the government’s ability to obtain resources in the form of revenues or borrowing in order to finance future services.

# SUWANEE'S 2022 PERFORMETER® SCORE 8.2

The overall score of 8.2 indicates that Suwanee’s overall financial health and success remains well above the satisfactory level.

## SCORE BY CATEGORY

**Financial Position** 9.3

**Financial Performance** 7.2

**Financial Capability** 7.6

**Performer Overall** 8.2

The value of the rating is based on a 10-point scale

# 9.3 Financial Position Ratios

## Level of Unrestricted Net Position

## Level of General Fund Unassigned Fund Balance

- UNRESTRICTED NET POSITION** How do our total rainy day funds look?
- GENERAL FUND UNASSIGNED FUND BALANCE** How does our General Fund unassigned fund balance carryover position look?
- CAPITAL ASSET CONDITION** How much life do we still have left in our capital assets?
- PENSION PLAN FUNDING** Will our employees be happy with us when they retire?
- DEBT TO ASSETS** Who really owns the City?
- CURRENT RATIO** Will our employees and vendors be pleased with our ability to pay them on time?
- QUICK RATIO** How is our short-term cash position?



Suwanee's total unrestricted net position was approximately \$28 million, or 81% of annual total revenues.

This exceeds the model's desired excellent ratio of 50% and is considered excellent.



The unassigned fund balance of the General Fund amounted to \$3.0 million or 20.2% of annual General Fund revenues.

Although a decline in the ratio when compared to the ratio of the prior period, the ratio still remains well above satisfactory.

## Capital Asset Condition



At June 30, 2022, the City's depreciable capital assets amounted to \$103 million while accumulated depreciation totaled \$43.5 million.

This indicates that, on average, the City's capital assets have well over half (58%) of their useful lives remaining. This remains an above satisfactory financial indicator in the model.

## Employee Pension Plan Funding Ratio



The City's pension plan net position was 199% of the total pension liability, indicating the plan was nearly twice funded, from an actuarial perspective, at the last valuation date.

This ratio actually improved when compared with the ratio of the prior period and remains an excellent ratio.

## Debt to Assets



Approximately one-fourth (24.9%) of the City's \$147 million of total assets were funded with debt or other obligations.

This is considered a favorable financial indicator and indicates that for each dollar of City assets owned, it owes approximately 25 cents of that dollar to others.

## Current Ratio



Suwanee's government-wide ratio of current assets to current liabilities was 8.39 to 1.

This indicates that the City had just a little over eight times the amount of current assets needed to pay current liabilities. This is considered an excellent indicator of liquidity.

## Quick Ratio



At June 30, 2022, the government-wide ratio of cash and cash equivalents to current operating liabilities was 6.52 to 1.

This indicates that the City had over six and one-half times the minimum amount of cash and cash equivalents needed to pay short-term operating obligations at year end. This is considered an excellent indicator of liquidity.

# 7.2 Financial Performance

## Change in Net Position

## Interperiod Equity

### CHANGE IN NET POSITION

Did our overall financial condition improve, decline, or remain steady from the past year?

### INTERPERIOD EQUITY

Who paid for the costs of current year services: current, past, or future tax and rate payers?

### PROPERTY TAX GROWTH

What is the state of our local economy?

### CAPITAL ASSET SUSTAINABILITY

How willing are we to maintain our investment in capital assets?



For the year ended June 30, 2022, total net position increased by \$4.5 million, or 4.5% from the prior year beginning net position.



For the year ended June 30, 2022, the City's total costs were fully funded by current year tax and rate payers, with current year revenues, excluding fund balance carryovers, generating revenues at a level of 143% of current year costs.

## Property Tax Growth



For the year ended June 30, 2022, the City experienced an increase in property tax revenue in the amount of \$250,346 or 3.2% from the prior year.

The City has been accustomed to significant increases in the property tax revenue over the years. This year, the increase in property tax was minimal.

## Capital Asset Sustainability



Suwanee expended \$3.0 million on capital assets and received \$1.3 million in donated capital assets, while depreciation on such capital assets totaled \$3.2 million.

This indicates that the City is replacing capital assets that are depreciating at a ratio of 1.4 to 1. This is considered an excellent financial indicator in the model.



Photo by Dionte Mayfield

# 7.6 Financial Capability

## Revenue Dispersion

## Debt Service Load

**REVENUE DISPERSION** How much of our revenue is beyond our direct control?

**DEBT SERVICE LOAD** How heavily is our budget loaded with payments to retire long-term debt?

**BONDED DEBT PER CAPITA** What is the debt burden on our property tax payers?

**LEGAL DEBT LIMIT REMAINING** Will we be legally able to issue more long-term debt, if needed?

**PROPERTY TAXES PER CAPITA** Will our citizens be willing to accept property tax increases, if needed?



For the year ended June 30, 2022, the City had direct control over 41% (service charges and property taxes) of its revenues.

This ratio indicates the City has limited exposure, as do most cities, to financial difficulties due to reliance (59%) on taxes that are capped or require voter approval, or on grants, contributions, and other revenue.



Suwanee's total non-capital expenditures amounted to \$18.4 million, of which \$2.7 million (or 14.9%), were payments for principal and interest on annual long-term debt.

In the model, this is an above satisfactory financial indicator and indicates that for every dollar the City spent on non-capital items, 14.9 cents of that dollar was used for debt service.

## Bonded Debt Per Capita



For the year ended June 30, 2022, the City had a general bonded debt per capital ratio of \$283.

In the model, this represents a lower than average bonded debt per capita which scores well in the model.

## Legal Debt Limit Remaining



Suwanee had approximately \$6.3 million of general obligation debt applicable to the legal debt limit.

This means that at June 30, 2022, the City had a little over \$162 million, or 96% of its general bonded debt legal limit remaining.

## Property Taxes Per Capita



For the year ended June 30, 2022, the City had a property tax per capita ratio of approximately \$356.

This is well above satisfactory ratio in the model.





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